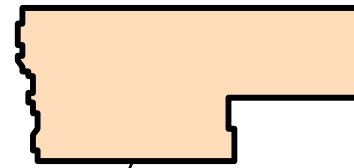
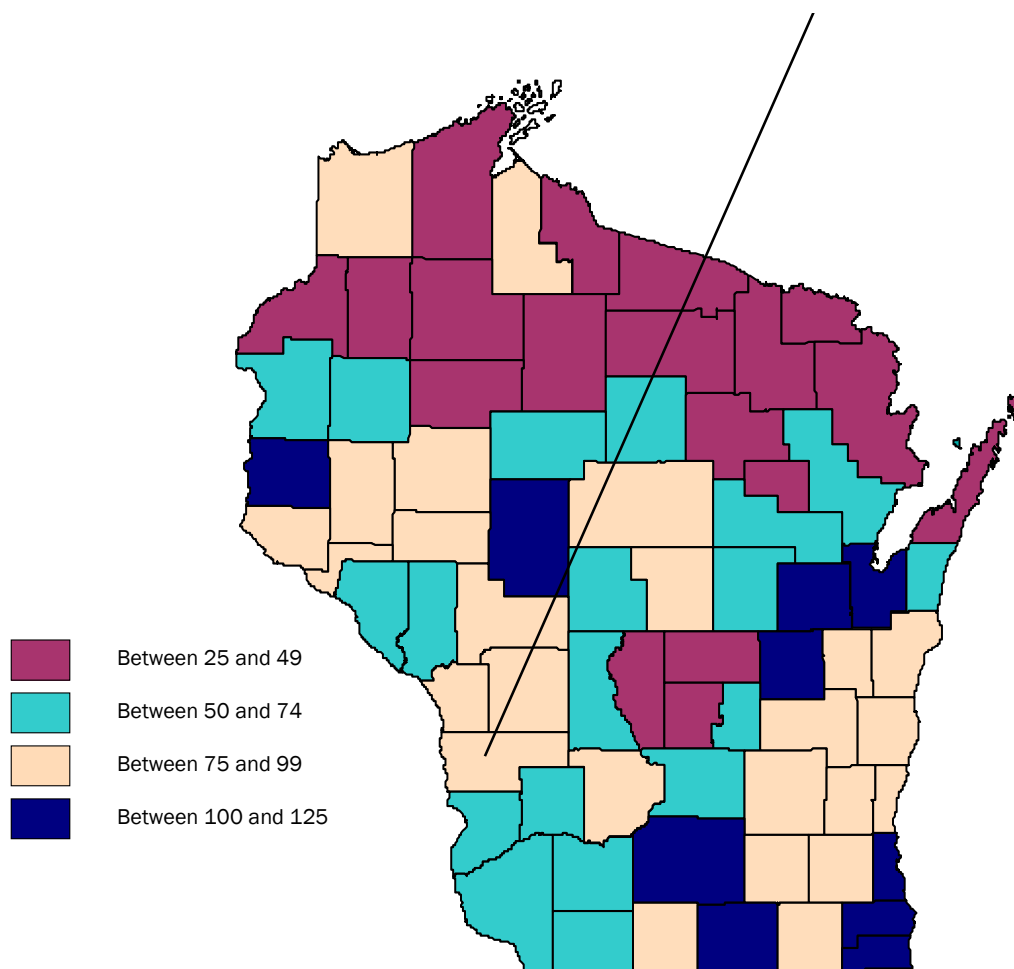


Vernon County Workforce Profile



**The number of residents aged 25-29 years for every
100 residents aged 60-64 years in year 2025**



Source: Wisconsin Department of Administration, Demographic Services Center and the U.S. Bureau of Census.

For comparison, it is projected that there will be 90 residents aged 25-29 for every 100 residents aged 60-64 in Wisconsin in 2025. Nationally, it is projected that there will be 101 residents aged 25-29 for every 100 residents aged 60-64. In 2003, Wisconsin had 146 residents aged 25-29 for every 100 aged 60-64.



County Population

The population in Vernon County increased from 2000 to 2004 but at a slower pace than in the nation and Wisconsin. In the last four years the population in Vernon County increased 3.1 percent by adding 872 residents and ranked 39th fastest growing among the state's 72 counties. All but seven of the county's 33 municipalities gained residents during the period and seven of the ten largest municipalities out-paced the percent

Total Population

	April 2000 Census	Jan. 1, 2004 estimate	Numeric change	Percent change
United States	281,421,906	292,287,454	10,865,548	3.9%
Wisconsin	5,363,715	5,532,955	169,240	3.2%
Vernon County	28,056	28,928	872	3.1%
Largest Municipalities				
Viroqua, City	4,335	4,362	27	0.6%
Westby, City	2,045	2,113	68	3.3%
Viroqua, Town	1,560	1,629	69	4.4%
Clinton, Town	1,354	1,425	71	5.2%
Bergen, Town	1,317	1,385	68	5.2%
Hillsboro, City	1,302	1,299	-3	-0.2%
Jefferson, Town	974	1,017	43	4.4%
Franklin, Town	923	958	35	3.8%
Hamburg, Town	848	916	68	8.0%
Christiana, Town	871	881	10	1.1%

Source: Wis. Dept. of Administration, Demographic Services and U. S. Census Bureau

increase in the county. These municipalities, as well as the county, are growing because they attract new residents who move to the county as well as adding residents from natural changes (births minus deaths).

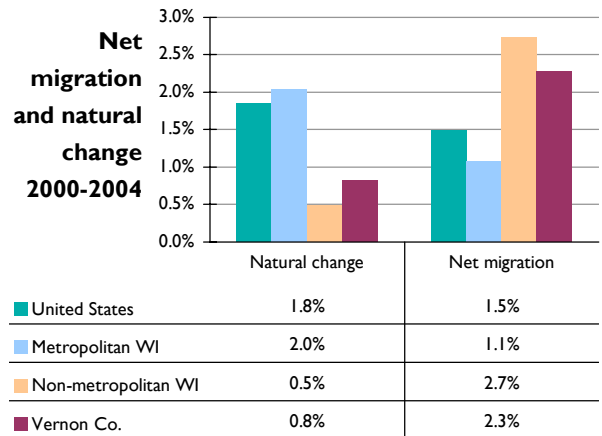
Most of the additional population, however, is attributed to net migration, more people moving to the county than leaving the county. The migration rate in Vernon County of 2.3 percent exceeded the rate in the state of 1.6 percent and the national rate of 1.5 percent but was less than the rate in other non-metropolitan counties. Non-metropolitan migration rates are high because counties, like Vernon, that are adjacent to metropolitan areas or on state borders attract many of the new residents. While the municipalities closer to La Crosse experienced some of the larger increases in population, other rural areas, especially in the middle of the county, had similar growth.

From 2000 to 2004 there were 1,431 births

in Vernon County that exceeded the number of deaths by 231. The fertility rate (see glossary) in the county of 73.1 was much higher than the state rate of 58.7 and ranked 3rd highest in the state. Even though the current population includes a substantial number of younger residents, and that trend is projected to continue, the decline in population after high school graduation combined with an aging baby-boom population will lead to an increase in the proportion of elderly population by 2030.

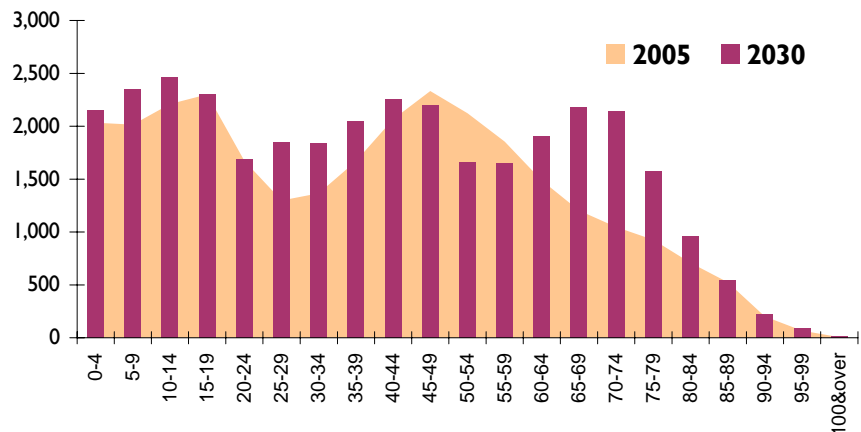
Roughly 21 percent of the population is currently over 60 years old but by 2030 that share expands to 28 percent. In contrast, 35 percent of the current population is under 25 years old and that shrinks to 32 percent by 2030. This trend is dramatized in the bottom graph where the 'hill' created by baby-boomers is higher than other age groups and moves to the right in the years to come.

The impact of an aging population is perhaps more obvi-



Source: WI Dept. of Admin., Demographic Services and U. S. Census Bureau

Population by Age Groups in Vernon County



Source: WI Dept. of Administration, Demographic Services

Future Population and Labor Supply

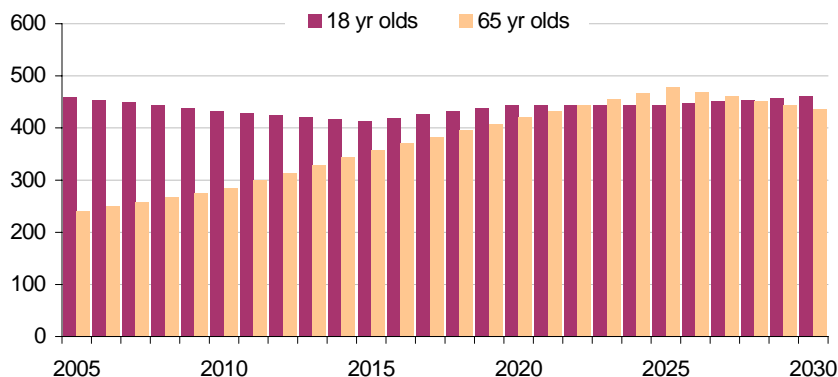
ous in terms of services that they will require. But it also impacts the availability of labor. Assuming that 65 years old represents an average age of retirement and that 18 years old represents high school graduation then a plot of the number of these residents points to a time when the first group exceeds the second in number. That convergence occurs in 2022 in Vernon County.

The number of residents may increase, but as the population ages, the labor force will decline. Labor force participation rates (LFPR, see glossary) among the population 25 to 50 years of age generally exceed 85 percent in Vernon County. But, after 55 years the LFPR begins to drop and by 60 years it is nearing 50 percent. As the population ages the number of residents may increase but increases in the labor force will slow.

Although county population growth will slow it is not projected to decline. However, because a greater share of the population will be over 50 years old increases in the labor force will stagnate and decline. From 2010 to 2020 the population is projected to increase 7.8 percent but the labor force will increase only 3.2 percent in the same ten years. The three columns in the chart on the right illustrate the changes in labor force composition and size. Most notable is the increasingly larger sections representing workers over 65 years in the top sections and the smaller sections representing younger workers.

This projection uses national assumptions that included a slight increase in the participation rates of older residents but

Convergence of 18 & 65 year old population in Vernon County

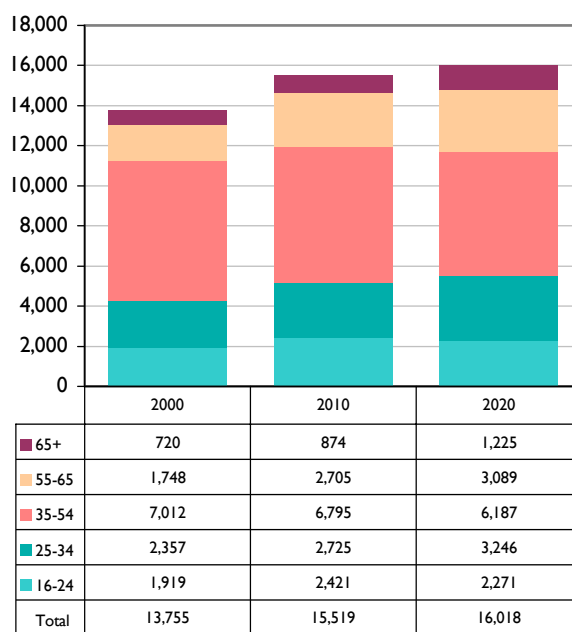


Source: WI Dept. of Administration, Demographic Services

did not factor in the lower participation rates of white residents; and, the population in Vernon County is 98 percent white. The largest ethnic group nationally, Black, is less than one percent of the total population.

Two broad scenarios arise from the disparity in age and ethnicity: 1) there will be labor shortages due to retirements and the lack of replacement workers especially in occupations that rely on younger workers or require specialized skills; and 2) the aging population will impact the economy as an elderly population demands changes in the types of goods and services provided in local communities.

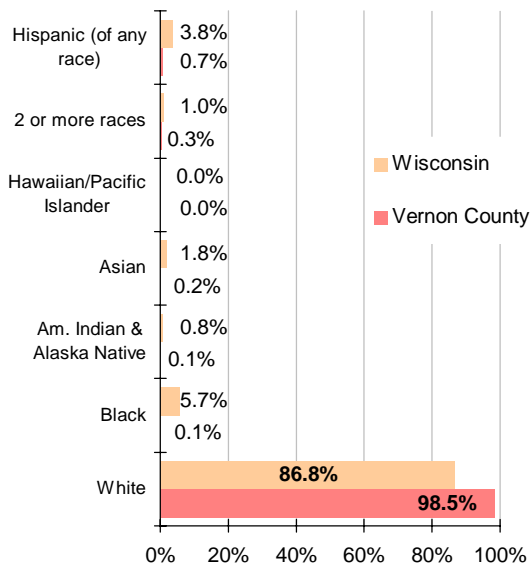
Vernon County Labor Force Projections by Age



Decade change	10.8%	12.8%	3.2%
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Source: DWD, Office of Economic Advisors, August 2004

Race and ethnic distribution



Source: U.S. Census Population Characteristics Estimates, 2002

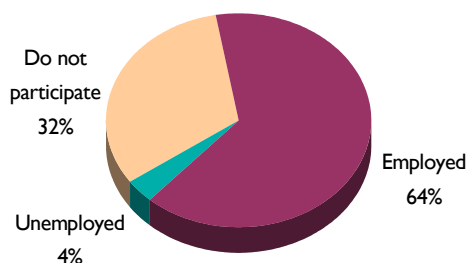
Current Labor Force

Labor force participation represents the share of population that is 16 years old and older that is either employed or unemployed. Participation rates in Wisconsin and the United States in 2003 were 72.9 and 66.3 percent, respectively.

In Vernon County the participation rate was 68.1 percent. That means that 32 percent of the population 16 years old and older did not participate. That includes some students and individuals who choose not to work including retirees. As

fewer new entrants to the labor force during the last recession is one of the reasons unemployment rates remained as low as they did. The unemployment rate in Vernon County in 2003 was 5.4 percent compared to a 13.6 percent unemployment rate following the 1981-82 recession when the baby-boomers were entering the labor force in droves.

Labor force participation in Vernon County

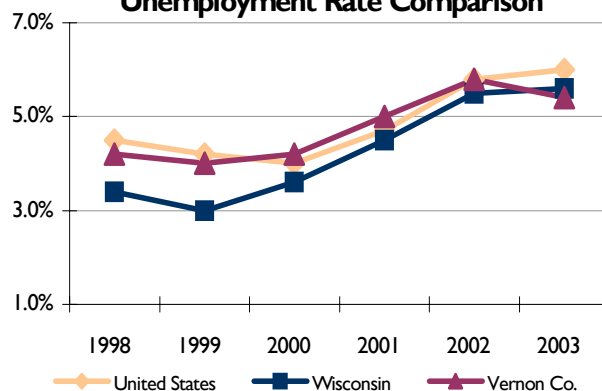


Source: DWD, Office of Economic Advisors, July 2004

the population ages, more retirees will be included in the non-participating category by choosing not to work and the overall labor force participation rate will decline.

There will also be fewer new entrants to the labor force who are seeking first-time jobs and, consequently, fewer included among the unemployed. That, in turn, will produce lower unemployment rates. The fact that there were

Unemployment Rate Comparison



Vernon County Civilian Labor Force Data

	1998	1999	2000	2001	2002	2003
Labor Force	13,999	13,416	13,902	14,047	14,128	14,684
Employed	13,405	12,886	13,314	13,344	13,310	13,885
Unemployed	594	530	588	703	818	799
Unemployment Rate	4.2%	4.0%	4.2%	5.0%	5.8%	5.4%

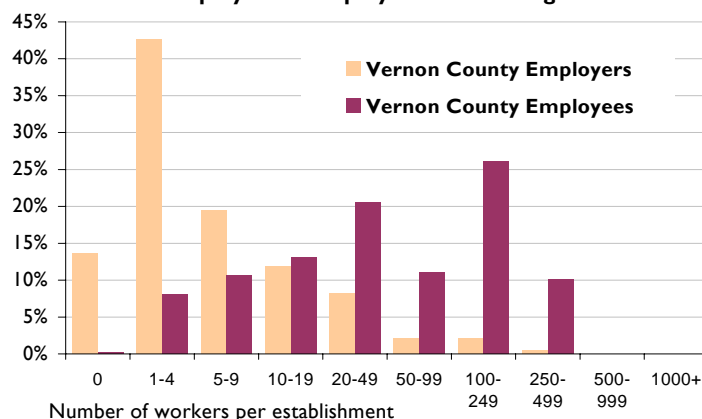
Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2003

Employers by Size

Nationwide, about 80 percent of the employers have less than 20 employees. In the State of Wisconsin that jumps to 85 percent and in Vernon County it increases to 87 percent. There is marked contrast in the number of job provided by employers in this size range. In the nation employers with fewer than 20 workers provide 27 percent of the jobs, in Wisconsin it drops to 22 percent, but in Vernon County 32 percent of the 7,800 jobs in the county are with small employers.

The greatest share of jobs in the county, 26 percent, is with employers in the 100-249 employee range. The greatest share of employers, 56 percent, has less than five workers. The average employer in Vernon County has 10 employees, compared with 17 employees in Wisconsin and 13 in the United States.

Share of employers & employees in size range in 2003



Source: DWD, Bureau of Workforce Information, Table 221, July 2004

Industry & employers by size

Examination of a county's labor market from the demand (employer) side of view is essential to gauge the type of workforce employers are seeking. The tables below outline the top employers by industry and the top employers by name and establishment size. The pie-graphs to the bottom indicate the prominence of these top industries and employers in terms of the county's total employment.

It is common that services-providing industries are the sectors

showing the largest and fastest employment growth in both one- and five-year periods. Some goods-producing sectors, manufacturing industries, may still show a large presence in terms of total employment, but they may likely show a loss of employment over these timeframes. It is also common that many counties traditionally heavy in goods-producing employment now have services-providers, particularly health and education services, as their larger employers and industry sectors.

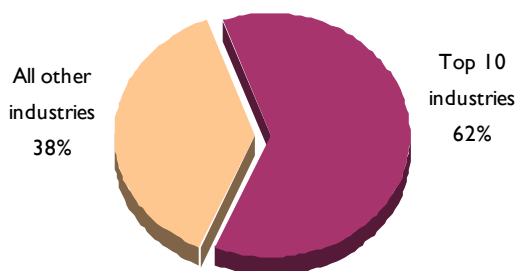
Top 10 Industries in Vernon County

Industry	March 2004		Numeric Employment Change	
	Establishments	Employees	2003-2004	1999-2004
Educational services	10	1,116	-13	24
Nursing & residential care facilities	9	595	79	120
Food services & drinking places	43	563	45	2
Hospitals	suppressed	suppressed	not avail.	not avail.
Executive, legislative, & gen government	34	497	-7	41
Merchant wholesalers, nondurable goods	20	486	54	246
Social assistance	10	318	90	2
Ambulatory health care services	24	269	69	91
Machinery manufacturing	suppressed	suppressed	not avail.	not avail.
General merchandise stores	11	247	not avail.	60

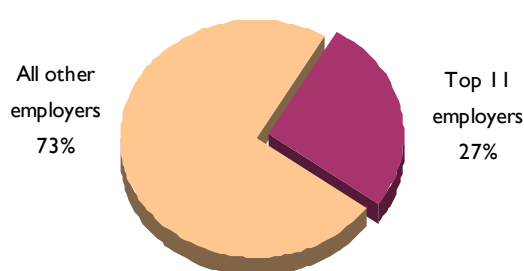
Top 11 privately owned Employers in Vernon County

Establishment	Product or Service	Size (Dec. 2003)
Vernon Memorial Healthcare Inc.	General medical and surgical hospitals	250-499 employees
Cooperative Regions of Organic Produce	Dairy product merchant wholesalers	250-499 employees
Fleet Guard Inc.	Miscellaneous general purpose machinery mfg.	100-249 employees
Bethel Home and Services Inc.	Homes for the elderly	100-249 employees
Wal-Mart Associates Inc.	Warehouse clubs and supercenters	100-249 employees
St Joseph's Community Health	General medical and surgical hospitals	100-249 employees
Tri-State Breeders Coop.	Support activities for animal production	100-249 employees
Vernon Area Rehabilitation Center	Vocational rehabilitation services	100-249 employees
Dairyland Power Coop.	Fossil fuel electric power generation	100-249 employees
NCR Corp.	Manifold business forms printing	50-99 employees
Nelson Mill & Agri-Center Inc.	Nursery, garden, and farm supply stores	50-99 employees

Share of jobs in top 10 industries in Vernon County



Share of Vernon County jobs with top 11 employers

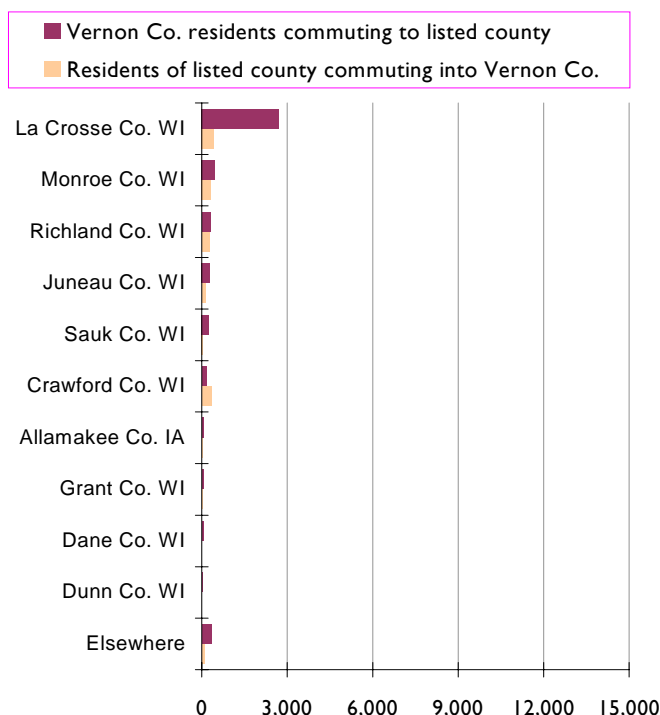


Commuting

Vernon County workers are very mobile and many Vernon County residents work in a place other than their county of residence. The number of workers who commute to jobs in La Crosse County increased from 1,677 in 1990 to nearly 2,300 in 2000. Some of the reasons that workers leave Vernon County and travel to La Crosse County include wages that are higher than in Vernon and more opportunities in management/professional positions that exist in La Crosse County. There is also a larger manufacturing sector in La Crosse, Monroe, or Juneau counties that attracts Vernon County workers seeking manufacturing employment.

In 1990, Vernon County 2,251 more workers commuted out of the county for a job than the number who traveled into the county for work. By 2000, that number increased to 2,972. La Crosse County is the destination of sixty percent of the outbound commuters. About ten percent travel to Monroe County.

Generally they commute alone more than ever before. In the 1990 Census, 60 percent of Vernon County workers drove alone and 13 percent carpooled. According to Census 2000, 71 percent of residents drove to work alone and 11 percent carpooled. Workers are also spending more time traveling to jobs. The average time it took Vernon County residents to get to work increased from 19.3 minutes in 1990 to 23.7 minutes in 2000.



Source: U.S. Census 2000, Special tabulations: Worker Flow Files

Key occupations & wages

The jobs in Vernon County share some characteristics with neighboring counties and those similarities were used to help define a labor supply area. This list includes wages for some of the occupations with the most employment in that area. It is significant because these 20 occupations provide approximately 14,700 jobs, or 33 percent of total employment, in the combined county area.

Each occupation includes a mean (average) and median (50th percentile) hourly wage probably the most frequently requested wage information. If the mean and median are relatively close the labor market for that occupation is probably tight and very competitive. Nine of the 20 occupations typically require only short-term training and, for the most part, have a mean hourly wage under \$11/hour. There are also jobs on this list that typically require moderate to long-term training periods and have a mean wage that exceeds \$11/hour. Four occupations on the list generally require a college degree but only one is reporting wages.

Occupation title	Hourly Wages			
	Mean	Percentile		
		25 th	50 th	75 th
Retail salespersons	\$9.30	\$6.84	\$8.05	\$9.71
Cashiers	\$7.49	\$6.35	\$7.36	\$8.47
Janitors & cleaners, except maids & hskpg. cleaners	\$9.58	\$7.75	\$9.69	\$11.24
Truck drivers, heavy & tractor-trailer	\$16.26	\$12.50	\$15.50	\$18.26
Nursing aides, orderlies, & attendants	\$9.37	\$8.54	\$9.48	\$10.39
Elem. school teachers, except special ed.	-	-	-	-
Secretaries, except legal, medical, & executive	\$11.25	\$9.69	\$11.15	\$12.99
Bookkeeping, accounting, & auditing clerks	\$11.08	\$9.23	\$10.72	\$13.00
Team assemblers	\$11.24	\$8.34	\$9.76	\$12.61
Middle school teachers, except special & voc. ed.	-	-	-	-
Teacher assistants	-	-	-	-
Office clerks, general	\$9.44	\$7.49	\$9.14	\$11.16
Registered nurses	\$20.50	\$18.10	\$20.00	\$21.95
Truck drivers, light or delivery services	\$10.51	\$7.92	\$10.78	\$12.62
Sec. school teachers, except special & voc. ed.	-	-	-	-
Bartenders	\$7.02	\$6.43	\$7.17	\$7.88
Correctional officers & jailers	\$15.14	\$14.02	\$15.24	\$16.48
Maintenance & repair workers, general	\$12.30	\$9.19	\$12.01	\$14.99
Bus drivers, school	\$12.78	\$9.45	\$12.21	\$15.55
Comb. food prep. & serving workers (fast food)	\$7.23	\$6.20	\$7.01	\$8.13

Vernon County is part of an area which includes Crawford, Grant, Lafayette, Richland and Vernon counties.

DWD, Office of Economic Advisors, special tabulation of EDS and OES 2003

Employment and Wages

The highest average wage by industry in Vernon County is earned by less than one percent of the workers while the lowest wage of \$7,544 from leisure and hospitality employers is paid to workers in eight percent of the jobs in the county. The average annual wage in the county of \$22,747 is only 68 percent of the state average annual wage after increasing 3.1 percent, matching the increase in the state.

Referencing the data in the bottom table, the greatest increase in jobs by industry occurred with natural resources employers with the addition of 178 jobs. Job increases in this sector are likely due to the organic farming niche that is rapidly growing in Vernon County.

The second highest increase in employment in 2003 occurred with education and health employers, which here also includes public education. Employers in education and health services provide over 31 percent of the jobs in the county and have the largest payroll. The average annual wage in this industry of \$23,425 is only 66 percent of the wage for similar work in the state and is paid to 32 percent of the workers in Vernon County.

Average Annual Wage by Industry Division in 2003

	Average Annual Wage		Percent of	1-year
	Wisconsin	Vernon County	Wisconsin	% change
All Industries	\$ 33,423	\$ 22,747	68.1%	3.1%
Natural resources	\$ 25,723	\$ 26,564	103.3%	42.7%
Construction	\$ 40,228	\$ 26,285	65.3%	0.2%
Manufacturing	\$ 42,013	\$ 29,300	69.7%	-2.7%
Trade, Transportation, Utilities	\$ 28,896	\$ 23,360	80.8%	2.5%
Information	\$ 39,175	\$ 29,719	75.9%	9.3%
Financial activities	\$ 42,946	\$ 26,435	61.6%	7.9%
Professional & Business Services	\$ 38,076	\$ 25,908	68.0%	2.3%
Education & Health	\$ 35,045	\$ 23,425	66.8%	2.6%
Leisure & Hospitality	\$ 12,002	\$ 7,544	62.9%	2.9%
Other services	\$ 19,710	\$ 13,945	70.8%	1.8%
Public Administration	\$ 35,689	\$ 19,636	55.0%	5.8%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

Several factors influence average wages in industries including occupation composition (professional and technical jobs generally have higher wages than clerical and service occupations), job tenure (those with more seniority are paid more than new hires), average workweek (full or part-time), and seasonal and temporary employment.

2003 Employment and Wage Distribution by Industry in Vernon County

	Employment		Total Payroll	
	Annual average	1-year change		
Natural Resources	293	178	\$ 7,783,182	
Construction	256	20	\$ 6,729,007	
Manufacturing	744	-80	\$ 21,799,491	
Trade, Transportation, Utilities	2,027	25	\$ 47,350,691	
Information	112	-12	\$ 3,328,530	
Financial Activities	348	-5	\$ 9,199,535	
Professional & Business Services	218	20	\$ 5,648,007	
Education & Health	2,458	66	\$ 57,579,021	
Leisure & Hospitality	627	-10	\$ 4,730,133	
Other services	121	1	\$ 1,687,338	
Public Administration	616	-14	\$ 12,095,845	
Not assigned	0	0	0	
All Industries	7,822	189	\$ 177,930,780	

Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2004

Per Capita Personal Income

Per capita personal income (see glossary) increased 3.4 percent in Vernon County in 2002, exceeding the increases in the United States, Wisconsin and other non-metropolitan counties in the state. Despite this recent increase, the PCPI in the county is still only 70 percent of PCPI in Wisconsin and 68 percent of the United States. It ranks 70th out of 72 counties in the Wisconsin.

The greatest share of total personal income is net earnings from jobs, both those in and out of the county, self-employment and proprietorships. Not only are annual average wages considerably lower than in Wisconsin but the share of

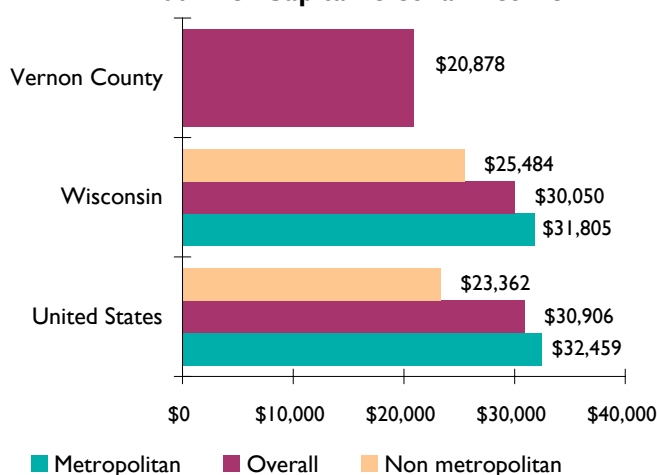
total personal income from net earnings of 61 percent in Vernon County is well below the 68 percent of both the state and nation. In contrast transfer payments comprise a much larger share. Both factors contribute to the lower PCPI in the county.

While PCPI is often used as a comparative income measure it should be remembered that population is also a key component. PCPI is the result of dividing total income by total population. Residents over 18 years old earn most income but the younger population is still included in the formula. Likewise, a retired population has a much lower earning capacity.

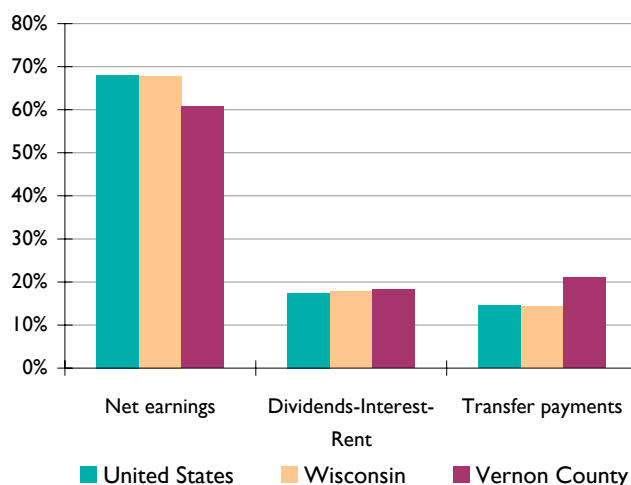
	Per Capita Personal Income						Percent Change	
	1997	1998	1999	2000	2001	2002	1 year	5 year
United States	\$25,334	\$26,883	\$27,939	\$29,847	\$30,527	\$30,906	1.2%	22.0%
Wisconsin	\$24,514	\$26,175	\$27,135	\$28,573	\$29,361	\$30,050	2.3%	22.6%
Non-metropolitan WI	\$20,734	\$22,195	\$22,900	\$24,059	\$24,833	\$25,484	2.6%	22.9%
Vernon County	\$17,013	\$18,109	\$18,636	\$19,237	\$20,183	\$20,878	3.4%	22.7%
In current dollars (adjusted to U.S. CPI-U)								
United States	\$28,397	\$29,670	\$30,170	\$31,181	\$31,010	\$30,906	-0.3%	8.8%
Wisconsin	\$27,478	\$28,889	\$29,301	\$29,850	\$29,825	\$30,050	0.8%	9.4%
Non-metropolitan WI	\$23,240	\$24,497	\$24,728	\$25,135	\$25,226	\$25,484	1.0%	9.7%
Vernon County	\$19,070	\$19,987	\$20,124	\$20,097	\$20,502	\$20,878	1.8%	9.5%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2004

2002 Per Capita Personal Income



Components of Total Personal Income: 2002



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2004

The county workforce profiles are produced annually by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The regional contact for additional labor market information is:

Bill Brockmiller
405 North 8th St.
La Crosse, WI 54601
Phone: 608-785-9337
email: William.Brockmiller@dwd.state.wi.us

Metropolitan Statistical Area (MSA) - A single county or group of counties that include at least one urbanized area with a minimum population of 50,000. Multiple-county MSAs have a central county or counties, which have a high degree of social and economic integration with the other member counties as measured by commuting data.

Non-metropolitan county - Any county that is not a member of a metropolitan statistical area.

Net Migration - One of two components of population change. It is the net result of individuals who either moved into or out of an area.

Natural Change - One of two components of population change. It is the result of the number of births minus the number of deaths in an area over a period of time. A natural increase indicates there were more births than deaths. A natural decrease indicates there were more deaths than births.

Employed - Persons 16 years of age or older, who worked as paid employees, or worked in their own business, profession or farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise. Includes those temporarily absent from their jobs due to illness, bad weather, vacation, childcare problems, labor dispute, maternity or paternity leave, or other family or personal obligations.

Unemployed - Persons 16 years of age or older with no employment, who were available for work and made efforts to find employment sometime during the previous 4-week period ending with the monthly reference week. Persons who were awaiting recall to a job did not need to look for work to be classified as unemployed.

Labor Force - The sum of the employed and unemployed, whom are at least 16 years of age and older.

Unemployment Rate - The number of unemployed divided by the labor force. It is expressed as a percentage of the labor force.

Labor Force Participation Rate (LFPR) - The labor force divided by the total population aged 16 years and older. It is expressed as a percentage of the population aged 16 years and older.

Suppressed - Data is withheld or suppressed if it does not meet certain criteria. If an industry in a county has fewer than three employers or if a single employer employs 80% or more that industry's total employment in that county then the data are suppressed. These criteria were established to maintain the confidential reporting of payroll and employment by employers.

Total Personal Income - The aggregate income of an area received by all persons from all sources. It is calculated as the sum of wage and salary disbursements (less contributions for government social insurance), supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts that include retirement and veteran's benefits, government paid medical reimbursements, and income maintenance program payments.

Per Capita Personal Income (PCPI) - Total personal income divided by the total population.

Current Dollars - Phrase used to express historical dollar values in terms of their current purchasing power via inflation adjustment.

CPI-U - Consumer Price Index for all urban consumers, the most commonly used measure of inflation in the United States.